

Council Motion – 12/13/04
BSAI Pacific Cod Sector Allocations: Draft Problem Statement

Part 1.) BSAI Pacific Cod Sector Allocations: “The BSAI Pacific cod fishery is fully utilized and has been allocated among gear groups and to sectors within gear groups. The current allocations among trawl, jig, and fixed gear were implemented in 1997 (Amendment 46) and are overdue for review. Harvest patterns have varied significantly among the sectors resulting in annual inseason reallocations of TAC. As a result, the current allocations do not correspond with actual dependency and use by sectors.

Participants in the BSAI Pacific cod fishery who have made significant investments and have a long-term dependence on the resource need stability in the allocations to their sectors. To reduce uncertainty and provide stability, allocations should be adjusted to better reflect historic use by sector. The basis for determining sector allocations will be catch history as well as consideration of socio-economic factors.

As other fisheries in the BSAI and GOA are incrementally rationalized, historical participants in the BSAI Pacific cod fishery may be put at a disadvantage. Each sector in the BSAI Pacific cod fishery currently has different degrees of license requirements and levels of participation. Allocations to the sector level are a necessary step on the path towards comprehensive rationalization. Prompt action is needed to maintain stability in the BSAI Pacific cod fisheries.

Part 2.) Apportionment of BSAI Pacific Cod Sector Allocations between the BS and AI

In the event that the BSAI Pacific cod ABC/TAC is apportioned between the BS and the AI management areas, a protocol needs to be established that would continue to maintain the benefits of sector allocations and minimize competition among gear groups; recognize differences in dependence among gear groups and sectors that fish for Pacific cod in the BS and AI; and ensure that the distribution of harvest remains consistent with biomass distribution and associated harvest strategy.

BSAI Pacific Cod Sector Allocations: Draft Elements and Options

Part I: BSAI Pacific Cod Sector Allocations

A. Allocation to Sectors

- Component 1: Identify and define sectors
- Component 2: Identify TAC to be allocated to sectors
- Component 3: Method for determining catch history
- Component 4: Sector catch history years
- Component 5: Allocation of BSAI Pacific cod TAC to sectors
- Component 6: Rollovers between sectors
- Component 7: CDQ allocation of Pacific cod

B. Apportionment of BSAI PSC to Sectors

- Component 1: Apportionment of trawl halibut PSC to the cod fishery group
- Component 2: Apportionment of the cod trawl fishery group PSC to trawl sectors
- Component 3: Apportionment of cod H&L halibut PSC between catcher processors (CPs) and catcher vessels (CVs)

Part II: Apportionment of BSAI Pacific cod Sector Allocations to BS and AI (if needed)

This part would provide a method to apportion BSAI Pacific cod sector allocations to the BS and AI areas in the event that the BSAI Pacific cod ABC/TAC is apportioned to the BS and AI areas during the annual specifications process.

- Option 1: Sector allocations remain as BSAI (with AI and BS TACs). No specific sector allocations to AI or BS. (*Council discussion paper: option 3*)
- Option 2: BS and AI sector allocations based on equal percentage from BSAI sector allocations. (*Council discussion paper: option 2*)
- Option 3: BS and AI sector allocations based on historic harvest share in AI area with remainder of BSAI allocation to be caught in the BS. Sector's BSAI allocation remains. (*Council discussion paper: option 1*)
- Option 4: BS and AI sector allocations based on historic harvest share in BS area with remainder of BSAI allocation to be caught in the AI. Sector's BSAI allocation remains. (*new, variation of Option 3*)

PART 1: BSAI PACIFIC COD SECTOR ALLOCATIONS

A. Allocation to Sectors

Component 1: Identify and Define Sectors

Identify the sectors for which catch history will be calculated. The Council may choose to allocate to combined sectors in Component 5; however, each sector's catch history will be calculated separately.

1.1 Sectors for which catch history will be calculated.

1.1.1 AFA Trawl CPs (AFA 20*)

Suboption a: Include catch history of the nine trawl CPs whose claims to catch history have been extinguished by Section 209 of the AFA

Suboption b: Exclude catch history of the nine trawl CPs whose claims to catch history have been extinguished by Section 209 of the AFA

1.1.2 H&G Trawl CPs (non-AFA Trawl CPs)

1.1.3 AFA Trawl CVs

1.1.4 Non-AFA Trawl CVs

1.1.5 Longline CPs

1.1.6 Longline CVs $\geq 60'$

1.1.7 Pot CPs

1.1.8 Pot CVs $\geq 60'$

1.1.9 Fixed Gear CVs (pot and hook-and-line) $< 60'$

1.1.10 Jig CVs

*refers to the 20 trawl CP vessels listed in Section 208(e) of American Fisheries Act

Component 2: Identify TAC to be allocated to sectors

The BSAI Pacific cod TAC that is to be allocated to sectors is TAC less CDQ. In addition, the annual incidental catch allowance (ICA) for fixed gear would be deducted (off the top) from the aggregate amount of the BSAI Pacific cod TAC allocated to all of the fixed gear sectors combined (status quo).

Component 3: Methodology for Determining Sector Catch History

Two methodologies are proposed for determining a sector's catch history. P-cod is an IRIU species. For purposes of determining catch history, "catch" means retained legal catch (including rollovers). A sector's catch history includes all retained legal catch from both the Federal fishery and parallel fishery in the BSAI (i.e. retained legal catch from the Federal BSAI Pacific cod TAC less CDQ). This includes retained legal catch from both LLP and non-LLP vessels. The analysis will also calculate each sector's allocation based on the total catch (retained and discarded) of each sector over total catch of all sectors.

For each of the years under consideration in Component 4 (1997-2003), each sector's annual harvest share will be calculated for that individual year as a percentage of the total retained legal catch by all sectors and as a percentage of the total (retained and discarded) legal catch by all sectors. For each of the sets of catch history years in Component 4, each sector's harvest percentage will be calculated as the sector's average of the annual harvest share.

Component 4: Sector Catch History Years

Component is to include sets of years from which one set of years will be selected for all sectors. Note that the allocations from Amendment 46 (BSAI Pacific Cod Allocations) were implemented in January 1997.

There will be a suboption under each set of years to drop one year. Each sector would drop its worst year (smallest annual harvest share percentage for that sector). This could result in an aggregate percentage greater than 100% for a set of years for all sectors combined. If that is the case, this would be scaled back to 100%.

- 4.1 1995 – 2002
 - 4.1.1 Drop one year
- 4.2 1997 – 2003
 - 4.2.1 Drop one year
- 4.3 1998 – 2002
 - 4.3.1 Drop one year
- 4.4 1999 – 2003
 - 4.4.1 Drop one year
- 4.5 2000 – 2003
 - 4.5.1 Drop one year

Component 5: Allocation of BSAI TAC to Sectors

The intent of the allocations is to provide stability to the sectors; therefore, the sector allocations are hard cap allocations (plus rollovers, if any).

For all fixed gear sectors, the sector allocation is for all directed fishing for BSAI Pacific cod. For the jig and all trawl sectors, the sector allocation is for all directed and incidental catch of BSAI Pacific cod.

A hard cap allocation for the jig and trawl sectors means that when an individual sector's allocation (including rollovers) of BSAI Pacific cod is fully taken, all directed fishing for BSAI Pacific cod closes for that sector as well as closes any fisheries where BSAI Pacific cod would be caught incidentally by the same sector.

A hard cap allocation for the fixed gear sectors means that when an individual fixed gear sector's allocation (including rollovers) of BSAI Pacific cod is fully taken, all directed fishing for BSAI Pacific cod closes for that sector. However, this does not close fixed gear fisheries where BSAI Pacific cod are caught incidentally. That incidental catch is counted against the fixed gear ICA (incidental catch allowance).

- 5.1 **Fixed Gear ICA** (*status quo*): A small amount (approximately 500 mt) of Pacific cod is taken incidentally in BSAI fixed gear directed fisheries for groundfish where Pacific cod is not the target. This amount is determined annually by the NMFS Regional Administrator and is to be deducted from the aggregate amount of BSAI Pacific cod TAC allocated to all the fixed gear sectors combined (*i.e. off the top of fixed gear allocation*). In the event the annual amount determined necessary for the fixed gear ICA increases significantly, the Council will revisit this issue and consider limiting the ICA amount and/or revising MRAs.

- 5.2 **Allocations to Sectors:** Allocations to sectors are to be based on catch history (Component 4) as well as other considerations (see Problem Statement).

The allocations (whether combined or separate) to the <60' fixed gear CVs and jig CVs (i.e. the 'small boat sectors') shall collectively not exceed:

- 5.2.1 Actual catch history percentage for jig and <60' fixed gear CVs collectively (from the set of years selected for all sectors in Component 4).
- 5.2.2 2.71% (*represents current 2% jig allocation plus 1.4% of 51% fixed gear*)
- 5.2.3 3%
- 5.2.4 4%

Note: The intent of the allocations is to provide stability to the sectors. In all options and suboptions, the <60' fixed gear CV sector will only fish from the direct allocation to that sector, which includes any seasonal rollover of the unused jig allocation.

Component 6: Rollovers between Sectors

Reallocated quota (rollovers) will continue to be hierarchical in nature, flowing from the most precise definition of a sector to the next most inclusive definition before unused Pacific cod is re-allocated to a different gear type, while maintaining management flexibility. The jig allocation will continue to be seasonally apportioned and will rollover on a seasonal basis. For all other sectors, after September 1, managers may reallocate projected unused sector allocations taking into account: a) the intent of rollover hierarchy, and b) the likelihood of a sector receiving a rollover to actually harvest the rollover.

Rollover hierarchy for unused sector allocations (*current regulations adapted to sector splits*)

- 6.1 Projected unused trawl sector allocations must be considered for reallocation to other trawl sectors (AFA CP trawl, non-AFA CP trawl, AFA CV trawl, non-AFA CV trawl) before being reallocated to the fixed gear sectors (hook-and-line CP, hook-and-line CV $\geq 60'$, pot CP, pot CV $\geq 60'$).
- 6.2 Reallocation of TAC from the trawl sectors to fixed gear sectors will be 0.9% to pot CP 4.1% to pot CV $\geq 60'$, and 95% to hook-and-line CP.
- 6.3 Projected unused allocation in the jig sector should rollover to the <60' fixed gear CV sector on a seasonal basis.
- 6.4 Projected unused pot sector allocations (CPs and $\geq 60'$ CVs) must be considered for reallocation to the other pot sector before being reallocated to the hook-and-line CP sector.
- 6.5 Projected unused allocation in the <60' fixed gear CV sector, both pot sectors (CP and $\geq 60'$ CV), and hook-and-line CV $\geq 60'$ should rollover to the hook-and-line CP sector.
- 6.6 Unused seasonal allowances for the trawl, pot, and hook-and-line sectors may be reapportioned to the subsequent seasonal allocation for the respective sectors.

Component 7: CDQ Allocation of BSAI Pacific cod

CDQ allocations for BSAI Pacific cod shall be removed from the TAC prior to the allocation to all other sectors at percentage amounts equal to one of the following options:

- 7.1 7.5%
- 7.2 10%
- 7.3 15%

B. Apportionment of BSAI PSC to Sectors

Note: The apportionment of trawl PSC to sectors would facilitate cooperative formation, may allow sectors to better manage PSC use, and may prevent preemption by another trawl sector. However, the apportionment of trawl PSC into the cod trawl fishery group and then between cod trawl sectors may prove to be difficult and could restrict management flexibility. The apportionments in this action will also have to work in conjunction with PSC apportionment in BSAI Amendment 80. Due to the complexity, the Council is seeking input on options for these components.

At this time, it may only be necessary to apportion trawl halibut PSC as it is the most constraining. The amount of herring PSC apportioned to the cod trawl fishery group (27 mt in 2005) may be too small to apportion between all trawl sectors. Crab PSC is abundance based and upon reaching the PSC limit, fisheries are not closed but rather areas are closed so that a fishery is not directly pre-empted.

Component 1: Apportionment of trawl halibut PSC to the cod fishery group

The total amount of trawl halibut PSC for the non-CDQ fisheries is 3,400 mt, which is apportioned between Pacific cod, yellowfin sole, rocksole/other flatfish/flathead sole, pollock/Atka mackerel/other. Generally, 1,400 mt is apportioned to the cod trawl fishery group, but this amount and actual use can vary annually. A significant amount of Pacific cod is taken incidentally in other trawl fisheries so the PSC use associated with that Pacific cod harvest would be attributed to a fishery group other than cod trawl. Amendment 80 will also allocate halibut PSC to the H&G trawl sector so that the amount of halibut PSC available to the remaining trawl sectors will be reduced.

(Options to be determined).

Component 2: Apportionment of the cod trawl fishery group PSC to trawl sectors

(Options to be determined).

Component 3: Apportionment of cod hook-and-line halibut PSC between CPs and CVs

The total amount of non-trawl halibut PSC for the non-CDQ fisheries is 833 mt. The 833 mt is normally apportioned between cod hook-and-line sectors and other non-trawl fisheries during the annual specifications process. Generally, 775 mt is apportioned to hook-and-line cod fisheries and 58 mt to other non-trawl.

This component would divide the halibut PSC amount apportioned to hook-and-line cod between hook-and-line CPs and hook-and-line CVs (for CVs $\geq 60'$ and CVs $< 60'$ combined). The apportionment is to be done by one of the following options:

- 3.1 In proportion to the BSAI Pacific cod TAC allocated to the sectors
- 3.2 10 mt for CVs, remainder for CPs
- 3.3 Other *(to be determined)*

Part II: APPORTIONMENT OF BSAI PACIFIC COD SECTOR ALLOCATIONS TO BS AND AI

Note: This part would provide a method to apportion BSAI Pacific cod sector allocations to the BS and AI areas in the event that the BSAI Pacific cod ABC/TAC is apportioned to the BS and AI areas during the specifications process. No apportionment of BSAI PSC between the BS and the AI is under consideration at this time.

Option 1: Sector allocations remain as BSAI (with BS and AI TACs)

- 1.1 No allocation to a sector of a specific percentage of a sub-area. Sectors would have a BSAI allocation (from Part 1, A. Component 5) to fish in either sub-area (BS and AI) if the sub-area is open for directed fishing and TAC is available. (*Council discussion paper: Option 3*).

Option 2: BS and AI sector allocations based on equal percentage from BSAI sector allocations

- 2.1 Allocation to a sector of an equal percentage in both sub-areas. The allocation percentage of BSAI TAC a sector receives (from Part 1, A. Component 5) would result in that same percentage being applied to both the BS and AI sub-areas so that a sector would have the same percentage in both sub-areas. (*Council discussion paper: Option 2*).

Option 3: BS and AI sector allocations based on a sector's historic harvest in the AI with remainder of sector's overall BSAI allocation to be caught in the BS. Sector's BSAI allocation is maintained and used in annual calculation. (Council discussion paper: Option 1).

- 3.1 1995 - 2002
- 3.2 1997 - 2003
- 3.3 1998 - 2002
- 3.4 1999 - 2003
- 3.5 2000 - 2003
- 3.6 2002 - 2003

Option 4: BS and AI sector allocations based on historic harvest in the BS with remainder of sector's overall BSAI allocation to be caught in the AI. Sector's BSAI allocation is maintained and used in annual calculation. (variation of Option 3 above)

- 4.1 1995 - 2002
- 4.2 1997 - 2003
- 4.3 1998 - 2002
- 4.4 1999 - 2003
- 4.5 2000 - 2003
- 4.6 2002 - 2003